

This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS LAGOS 000627

SIPDIS

USDOL WASHDC FOR ROBERT YOUNG

E.O. 12958: N/A

TAGS: [ELAB](#) [EPET](#) [KDEM](#) [NI](#) [PGOV](#)

SUBJECT: NIGERIA: Labor Update

REF: (A) Lagos 462 (B) Lagos 146

Banks become the first casualty in labor's renewed battle over casualization

1. On March 2, approximately 30 of the 56 Nigerian banks accused by the Nigerian Labor Congress (NLC) of engaging in anti-labor practices announced their decision to reduce contract labor and allow their employees to unionize (ref A). However, many banks have reluctantly implemented the new policy. A Citibank Manager, for example, told the CG that his employees met with the unions in a parking lot at night, adding that there was no way the bank would let union organizers into the building.

2. Following the banks' concession, the Ministry of Labor and Productivity, the NLC, and industry representatives agreed to develop a house union structure allowing industry employees to join the National Union of Banks, Insurance and Financial Institutions Employees (NUBIFIE) or the Association of Senior Staff of Banks, Insurance and Financial Institutions Employees (ASSBIFIE). The process began in mid-March and is being monitored by a joint committee comprised of representatives from the Ministry of Labor and Productivity, the NLC, the Nigerian Employers Consultative Forum (NECA), and the Chartered Institute of Bankers of Nigeria (CIBN).

3. The agreement is a victory for the NLC, an organization whose leadership is struggling to maintain credibility both internally and among the Nigerian public. Labor leaders have indicated that their dispute with banks pertaining to the use of contract work is a first step toward a nationwide campaign against "casualization"; that is, part-time, intermittent, or temporary workers.

NLC threatens to resume strike over petroleum tax

4. The NLC has again issued a threat to resume its suspended strike if the GON continues allegedly to disobey a court order that prohibits it from collecting a 1.50 Naira fuel tax (ref B). The NLC wrote a letter to the Secretary of the Federal Government of Nigeria alleging that the Nigerian National Petroleum Corporation (NNPC) and other marketers continue to incorporate the fuel tax in their pricing.

5. In January, the Federal Appeals Court ruled that both parties should return to pre-tax prices pending its official decision. The parties were also ordered to work together to resolve the dispute. However, NLC lawyer, Femi Falana, told the court during its last hearing, that there has been no dialogue between the NLC and the GON. While the NLC is considering a plan to mobilize the public, it will likely defer action until after the court returns from recess in mid-April.

Dispute over benefits at ExxonMobil leads to a lockout

6. Bayo Olowoshile, Deputy General Secretary of the Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN), met with Laboff on March 8, 2004, to request assistance in resolving a three-year old dispute regarding staff pensions and other benefits at ExxonMobil. Olowoshile explained that the package for ExxonMobil downstream employees, as a percentage of total remuneration, is not consistent with the package offered to upstream employees. In addition, he said the benefits given to downstream employees are as much as thirty percent below industry standards. By early March, the dispute had escalated, resulting in a lockout of several employees at Mobil Oil Plc. However, on March 16, ExxonMobil and PENGASSAN signed an agreement to reexamine the benefits of workers downstream, and the locked-out Mobil employees were allowed to return to work.

Hinson-Jones